



# Memorandum

TO: MAYOR REED

FROM: Councilmember Sam Liccardo

SUBJECT: BUDGET DOCUMENT

DATE: November 12, 2009

Approved

Date

11-12-09

## RECOMMENDATION

It is recommended that any futures savings realized in the façade improvements in 13<sup>th</sup> Street and University NAC's be moved to the Neighborhood Business District (NBD) Façade Improvement fund. Additionally, any savings realized in NBD Façade Improvement fund will be used to continue with façade improvements waiting for funding with priority given to East Santa Clara Business Association, particularly City Restaurant.

## BACKGROUND

City Restaurant, a Vietnamese-American restaurant located on the corner of N. 7<sup>th</sup> St and E. Santa Clara, stands on a highly visible corner in the downtown. It provides a gateway to the East Santa Clara Business District to the east, and to the downtown core to the west. The business owner has incurred over \$20,000 in design costs on a façade improvement, in reliance of a façade grant that had been given the "green light" by Agency staff. The business is "shovel ready" for a façade improvement and will leverage RDA investment with tens of thousands their own investment. Pulling away from this commitment at this time would leave a small business owner much worse off than if no commitment had ever been made. In this case, that business owner, Tina Pham, has been a strong supporter of the local community through the provision of food to the homeless, annual free holiday dinners for the poor, and support for the East Santa Clara Business District.

### **New Expenditure/Reinstatement**

Program/Project Title: NBD Façade ImprovementsRDA Project Area: East Santa Clara Business AssociationAmount of Agency Funding Required: \$ 50,000

### **Funding Source**

Program/Project Title: Neighborhood Façade Improvement

Amount of Agency Funding Change: Use any cost savings in this fund from "low bids" on other projects to continue with façade grants to small businesses, with priority given to the East Santa Clara Business Association.

This change is: X One-time      Ongoing

Program/Project Title: 13<sup>th</sup> Street NAC Couplet Conversion

Amount of Agency Funding Change: Use any cost savings in this project from "low bids" on other projects to continue with façade grants to small businesses, with priority given to the East Santa Clara Business Association.

This change is:   X   One-time        Ongoing

Program/Project Title: 13<sup>th</sup> Street NAC Business Facade

Amount of Agency Funding Change: Use any cost savings in this fund from "low bids" on other projects to continue with façade grants to small businesses, with priority given to the East Santa Clara Business Association.

This change is:   X   One-time        Ongoing

### **Anticipated Outcomes**

Requested funding changes would affect benefits or services for San José residents, businesses, community groups, etc. in accordance with one of the following goals and objectives relevant to the City's redevelopment efforts:

- ☒ Create Jobs and Expand Business
- ☐ Build Public Facilities
- ☐ Strong Neighborhoods Initiative and Affordable Housing